

REMARKS

Claims 1- 6, and 8-10 are currently pending in the application. By this amendment, claim 7 is cancelled and claim 1 is amended. Attached hereto is a separate sheet entitled "Clean Copy of Pending Claims, As Amended" showing a clean copy of the claims pending in the application, as amended.

The Examiner has indicated that an oath or declaration must be provided which identifies the mailing or post office address of each inventor. A copy of an oath/declaration identifying the mailing address of each inventor is attached.

The Examiner has rejected claims 1, 5 and 10 under 35 U.S.C. §112, second paragraph, as being indefinite. Claim 1 has been amended to provide proper antecedent basis for "dynamically changing profile" and "observed behavior." Claim 5 has been amended to clarify the antecedent for "interaction" and claim 10 has been amended to properly define certain "actions."

The Examiner has rejected claims 1-3 and 7 under 35 U.S.C. §102(e) as anticipated by U.S. Patent No. 6,035,288 to Solomon. It is acknowledged that Solomon provides for automation of a "haggling" merchant. However, with respect to claim 7, Solomon does not provide for human-computer interfaces on both sides of the negotiation as described for the invention at page 6, lines 12-15 and page 16, lines 1-3. The passage of Solomon cited by the Examiner (col 4, lines 13-31) simply describes how a human customer reacts to the automated merchant.

"The objective of the user or customer is to interact with the merchant in a manner that would cause the merchant to agree to the customer's monetary offer for the item at issue. In this regard, each merchant has a unique character profile as stored in the character model behavior files in the database. The merchant's mood or emotional state is conveyed to the customer through three mechanisms. First, each time a customer submits an offer, the character graphics are updated to a new facial expression indicative of the merchant's new emotional state. Second, textual dialogue matching the merchant's state is selected from the dialogue generator file and displayed to

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arg. & respond
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react"

the customer. Third, and perhaps more subtle, is the merchant's offer. As the merchant enters more negative emotional states, his or her offers will become less generous, and vice versa. The challenge for the customer is to interpret the merchant's mood from the various indicators and respond with a counteroffer and associated mood that are appropriate for the perceived mood of the merchant."

There is no description or suggestion in Solomon of corresponding automated tools by the customer, such as the "capturing" step and "formulating ... a profile" step of claim 7. Indeed, Solomon teaches against such an improvement by indicating that his system "provides a source of entertainment for users who enjoy 'haggling' in a bazaar-like atmosphere" (col 2, lines 8-10).

Consequently, in this amendment, the limitations of claim 7 have been included in claim 1 and claim 7 has been cancelled. This amendment, which includes in claim 1 "human-computer interfaces on both sides of the negotiation," therefore distinguishes the claims of the present invention from what is described or suggested in Solomon and the other prior art of record.

The Examiner has rejected claims 4 and 5 under 35 U.S.C. §103(a) as unpatentable over Solomon in view of U.S. Patent No. 5,991,735 to Gerace. Since claims 4 and 5 depend from claim 1, which is amended to overcome the Solomon rejection as described above, this rejection is also overcome. It should be noted that Gerace teaches about customer profiles and does not describe or suggest customer capturing of profiles of the e-commerce site.

The Examiner has rejected claim 6 under 35 U.S.C. §103(a) as unpatentable over Solomon in view of Gerace and further in view of U.S. Patent No. 5,717,923 to Dedrick. Since claim 6 depends from claim 1, which is amended as described above, this rejection is also overcome. It should be noted that Dedrick teaches about customer profiles and does not describe or suggest customer capturing of profiles of the e-commerce site.

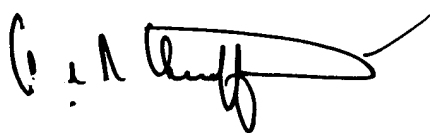
The Examiner has rejected claims 8-10 under 35 U.S.C. §103(a) as unpatentable over Solomon in view of an article by E. Birkhead, "Digging with Gopher," in *LAN Computing*, Vol. 5, no. 4 (April 1994) p. 23 ("Birkhead"). Since claims 8-10 depend from claim 1, which is amended to overcome the Solomon rejection as described above, this rejection is also overcome. It should be noted that while Birkhead teaches the well known practice of establishing bookmarks by a user, these bookmarks are not a "profile" of the e-commerce sites bookmarked and, indeed, bookmarks by a user may better pertain to the profile of the user. Apart from the context of other bookmarks – which reflect the profile of the user – the bookmark is simply a web address (a URL) and says nothing whatsoever about the e-commerce site "profile."

In view of the foregoing, it is requested that the application be reconsidered, that claims 1-6 and 8-10 be allowed, and that the application be passed to issue.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at 703-787-9400 (fax: 703-787-7557; email: clyde@wcc-ip.com) to discuss any other changes deemed necessary in a telephonic or personal interview.

If an extension of time is required for this response to be considered as being timely filed, a conditional petition is hereby made for such extension of time. Please charge any deficiencies in fees and credit any overpayment of fees to Deposit Account 50-0510 (IBM-Yorktown).

Respectfully submitted,



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PATENT TRADEMARK OFFICE